

Message Text

UNCLASSIFIED

PAGE 01 PARIS 37505 231944Z
ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 PA-02 PRS-01 SS-15 NSC-05
FRB-01 TRSE-00 /045 W
-----005440 240251Z /75
R 231919Z DEC 77
FM AMEMBASSY PARIS
TO SECSTATE WASHDC 3559

UNCLAS PARIS 37505

PASS TREASURY FOR WIDMAN

PASS FEDERAL RESERVE

E.O. 11652: N/A
TAGS: EGEN, EFIN, ETRD, FR
SUBJ: PRESIDENT'S STATEMENT ON THE DOLLAR

REF: STATE 304567

1. PRESIDENT CARTER'S STATEMENT ON THE DOLLAR WAS GIVEN GENERALLY FAVORABLE LOW-KEY ATTENTION IN THE PRESS AND IN THE MEDIA. EUROPE ONE'S ECONOMIC COMMENTATOR BOISSONNAT SAID: IT IS THE FIRST TIME SINCE THE WEAKENING OF THE DOLLAR HAS TURNED INTO COLLAPSE THAT THE U.S. GOVERNMENT HAS OFFICIALLY INDICATED ITS INTENTION TO DEFEND ITS MONEY. IN THE FIGARO ALAIN VERNAY WROTE: "PRESIDENT CARTER'S STATEMENT ... IS AN IMPLICIT ACKNOWLEDGMENT OF THE ERRATIC FLUCTUATIONS OF THE U.S. CURRENCY WHICH THE U.S. PREVIOUSLY ENCOURAGED BY WORDS AND DEEDS....THE MOMENT IS TIMELY FOR A PSYCHOLOGICAL OFFENSIVE WHICH SHOULD LIMIT THE EFFECTS OF THE DOLLAR DECLINE.

2. WHILE THERE HAS BEEN NO OFFICIAL REACTION TO THE SPEECH, OFFICIALS AT THE FINANCE MINISTRY AND BANK OF UNCLASSIFIED

UNCLASSIFIED

PAGE 02 PARIS 37505 231944Z

FRANCE HAVE EXPRESSED KEEN INTEREST AND REQUESTED COPIES OF PRESIDENT'S STATEMENT. THEY HAVE EXPRESSED CONCERN AS TO HOW "DISORDERLY CONDITIONS" (IN LAST PARAGRAPH) SHOULD BE DEFINED. (EMBASSY VERBALLY RELAYED SOLOMON'S STATEMENTS IN THIS REGARD.) THESE OFFICIALS AS WELL AS COMMENTATOR CLOSE TO THE BOURSE BELIEVE THAT THE PRESIDENT'S STATEMENT IS BASED ON A

POLITICAL UNDERSTANDING REACHED PRIOR TO PRESIDENT'S TRIP TO MIDDLE EAST AND EUROPE AND IS PROBABLY CLOSELY LINKED TO OPEC'S DECISION TO MAINTAIN OIL PRICE FOR SIX MONTHS. THIS OPINION IS REFLECTED IN MAIN HEADLINE OF DAILY LE QUOTIDIEN WHICH READS "THE CARTER-OPEC PACT."

3. AT TODAY'S FOREX MARKET LITTLE TRADING TOOK PLACE DUE TO ONSET OF CHRISTMAS HOLIDAY. DOLLAR REMAINED STEADY AT 4.77950-4.79150. FRENCH FRANC MOVED PARALLEL TO DOLLAR, WITH DM QUOTED IN PARIS F 222.700-223.200 AND SWISS FRANC 233.150-650.
HARTMAN

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESIDENT, DOLLAR
Control Number: n/a
Copy: SINGLE
Sent Date: 23-Dec-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977PARIS37505
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770480-0850
Format: TEL
From: PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771222/aaaaarsa.tel
Line Count: 75
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 28becafd-c188-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 STATE 304567
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 139028
Secure: OPEN
Status: NATIVE
Subject: PRESIDENT'S STATEMENT ON THE DOLLAR
TAGS: EGEN, EFIN, ETRD, FR
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/28becafd-c188-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009